

Exhibit A

CONSENT TO SUBLEASE AND AMENDMENT OF LEASE

THIS AGREEMENT, made and entered into as of the 14th day of July, 1989, by and between INVESTORS FIRST STAGED EQUITY, L.P., a California limited partnership ("LANDLORD"), and THE JOHN BREUNER COMPANY, a California corporation ("TENANT").

W I T N E S S E T H:

WHEREAS, by lease dated March 3, 1970, (the "Lease"), Crocker Land Company, a California corporation and LANDLORD's predecessor in interest ("Crocker"), leased to Tenant the improved real property commonly known as 301 Serramonte Plaza, Daly City, California 94015, and more particularly described in Exhibit A attached hereto and hereby made a part hereof;

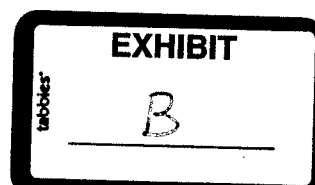
WHEREAS, the parties desire to amend and supplement the Lease in certain respects and to provide for LANDLORD's consent to the sublease of a portion of the demised premises to CIRCUIT CITY STORES, INC., a Virginia corporation ("SUBLESSEE").

NOW, THEREFORE, the consideration and mutual covenants herein contained the parties agree as follows:

1. Term. The parties agree that, for purposes of paragraph 28 of the Lease, the term of the Lease commenced on November 11, 1970.

2. Rent.

a. Effective on the Rent Commencement Date specified in the Sublease, the basic annual rental payable by TENANT under



*[Handwritten signature]*

the Lease shall be (i) TWO DOLLARS AND SIX CENTS (\$2.06) per square foot of rentable space, which the parties agree is 120,000 square feet, plus (ii) one-half (1/2) of the total consideration (for both the existing building and the new building, as described in the Sublease) received by TENANT from SUBLESSEE in excess of TWO DOLLARS AND SIX CENTS per square foot of existing ground floor space (exclusive of the new building) to be leased by SUBLESSEE less:

(i) All costs paid by TENANT for tenant improvements relating to the subleased premises, including but not limited to demising walls to separate the subleased premises from the remainder of the space demised to TENANT;

(ii) Real estate commissions paid by Tenant in respect of the sublease;

(iii) Legal expenses paid by Tenant in respect of the sublease; and

(iv) Additional rent paid to TENANT by SUBLESSEE applicable to maintenance, insurance of property and common area liability insurance, and taxes already paid or to be paid to LANDLORD by Tenant under the Lease.

b. The permitted deductions from the total consideration received by TENANT from SUBLESSEE specified in clauses (i), (ii) and (iii) above shall be reduced by the amount of the legal expenses incurred by LANDLORD in respect of the said sublease and the real estate consulting fees of Northwest Asset Management Co., Inc. not to exceed FORTY-ONE THOUSAND THREE HUNDRED SIXTY DOLLARS (\$41,360.00), and except as hereinafter set

forth, the balance shall be amortized over a period of forty-eight (48) months, commencing on the rent commencement date specified in the Sublease. As to each of the three succeeding five year renewal options under the Sublease, any real estate commission paid by TENANT in respect of the Sublease in accordance with Exhibit "C" attached hereto, will be amortized out of the rent paid under the Sublease over the respective periods of twenty-four (24) months immediately following payment of such real estate commissions.

c. Paragraph (b) of Exhibit B to the Lease is hereby amended to read as follows:

"As additional rental, Lessee shall pay Lessor annually within thirty (30) days after the end of each lease year a percentage rent equal to the amount by which Lessee's gross sales, (as hereinafter defined) exceed \$10,000,000 annually for each lease year, multiplied by the percentage rent rate, the aggregate being computed as follows:

- (1) No percent (0%) of gross sales during such lease year up to but not in excess of \$10,000,000.00 of gross sales; plus
- (2) One and one-half percent (1-1/2%) of gross sales during such lease year in excess of \$10,000,000.00 of gross sales."

Notwithstanding the foregoing, or any definition of gross sales contained in the Lease, it is expressly agreed that TENANT shall pay percentage rent only on sales directly by TENANT, and that SUBLESSEE's sales shall be expressly excluded from any definition of gross sales under the lease."

d. Basic rental shall be paid in equal monthly installments in advance on the first day of each and every month during the Lease term.

3. Consent to Sublease. LANDLORD hereby consents to the sublease of a portion of the demised premises, which portion consists of approximately 41,360 square feet (including mezzanine space), as more specifically delineated on the floor plan attached hereto as Exhibit "B", which portion includes approximately 8,100 square feet of new building area (including mezzanine space) to be constructed by SUBLESSEE in accordance with the approval of LANDLORD hereinafter contained in paragraph 7. LANDLORD acknowledges that it has received a copy of said sublease dated July 14, 1989, and has reviewed the same, and that its consent herein contained is based on such review. As expressed in the sublease, LANDLORD's consent to the sublease does not constitute a consent to permit SUBLESSEE to continue to occupy the premises demised by the Sublease in the event TENANT does not exercise its option to extend the term of the lease.

4. Estoppel. Each party agrees that, as of the date hereof, the other party has performed all of the obligations to be performed by it under the Lease and that no event has occurred which, with the giving of notice, or the passage of time, or both, would constitute a default under the Lease.

5. Common Area Maintenance. Notwithstanding any provision of the Lease to the contrary, LANDLORD, at its election, shall have the right to perform and charge TENANT for its proportionate share of the common area maintenance costs of the Serramonte

Plaza Center, including, without limitation, the cost of parking lot striping, sweeping and asphalt repair and resurfacing, the cost of landscape maintenance and the cost of repair or replacement of electrolier lights in the common area; provided, however, that the cost of such work shall not exceed that prevailing in other "Class A" strip shopping centers, and provided further that with respect to the calendar year 1990 common area maintenance costs will not exceed TWELVE THOUSAND FORTY-FIVE DOLLARS AND NINETY-TWO CENTS (\$12,045.92). TENANT acknowledges and agrees that Common Area maintenance costs shall include a ten percent (10%) administrative services charge.

6. Approval of Site Plan and Improvements. LANDLORD hereby approves the site plan and plans and specifications relating to the improvements to be made to the subleased space previously submitted to LANDLORD; provided, however, that such approval shall not impose any obligations on LANDLORD to ascertain that the improvements comply with applicable laws, rules and regulations.

7. Right to Cure Defaults. LANDLORD agrees to give CIRCUIT CITY written notice of any default by TENANT under the Lease and the right to cure default by TENANT under the Lease, capable of being cured by CIRCUIT CITY, within the time and in the manner provided by the Lease.

8. Ratification. As amended hereby, the Lease is ratified and confirmed in all respects.

IN WITNESS WHEREOF, the undersigned have executed this instrument on the date set forth opposite their respective signatures.

LANDLORD:

Dated:

INVESTORS FIRST STAGED EQUITY, L.P.  
a California limited partnership

By: VMS REALTY SERVICES  
Its duly authorized agent

By: Northwest Asset Management Co., Inc.  
Its duly authorized agent

By: W. Gardner Combs  
W. GARDNER COMBS  
Title: President

TENANT:

Dated:

THE JOHN BREUNER COMPANY,  
a California corporation

By: Al Quintini  
VICE PRESIDENT

156LPBW

**Exhibit B to**  
**Second Amendment of Lease and Amendment of Sublease;**  
**Consent to Sublease and Attornment**  
**and Non-Disturbance Agreement**

Copy of Lease and all Amendments

# Breuners

*Home Furnishings Since 1856*

November 3, 1993

Ms. Ann Marie Pettengell  
Property Manager  
Circuit City  
9950 Mayland Drive  
Richmond, VA 23233-1464

Reference: Circuit City Location #253  
Daly City, CA

Dear Ms. Pettengell:

Enclosed is a copy of Susan E. Rogers' March 3, 1990 letter which sets forth September 12, 1989 as the date Breuners delivered possession of the subleased premises to Circuit City.

Article 4. Term. states "The base term of this Sublease shall commence, and Lessor shall deliver possession of the premises to Lessee not later than September 5, 1989 (the "Term Commencement Date") and shall end on November 10, 1998."

Article 5(b) states "...Lessee's obligation to pay rent shall commence on the earlier of the date Lessee opens for business to the public or one hundred eighty (180) days following the Term Commencement Date (the "Rent Commencement Date")."

Susan E. Rogers' March 3, 1990 letter also sets forth the Rent Commencement Date of March 10, 1990, which by definition in Article 5(b) is 180 days following the Term Commencement Date.

Breuners accepted and continues to accept the dates set forth in Ms. Rogers' March 3, 1990 letter. Breuners is predicated the rent adjustment, which as set forth in Article 5(c) states "The annual minimum fixed rent set forth in paragraph 5(b) hereof shall be the base rent for the first four (4) years of the sublease term."

Give a Term Commencement Date of September 12, 1989, the fifth year of your sublease commenced on September 12, 1993 and hence the rental adjustment is due.

Should you not agree with this analysis please phone me.

Very truly yours,



Peter M. Meier  
Director - Real Estate

PMM:cld  
\\ccity

CORPORATE OFFICE: 3250 BUSKIRK AVENUE, PLEASANT HILL, CA 94523-4395 • (510) 906-4700

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File

# Breuners

Home Furnishings Since 1856

September 30, 1993

Circuit City Stores, Inc.  
9950 Mayland Drive  
Richmond, VA 23230

Attention: Real Estate Administrator

RE: Circuit City Store #253, Daly City, CA

Dear Administrator:

According to Article 5c of the Sublease Agreement the annual minimum fixed rent for the above referenced premises is to adjust on September 12, 1993 by the following calculation:

$$\$22,657.50 \times 1.12 = \$25,376.00$$

Therefore, beginning October 1, 1993 please adjust your payment to reflect the new minimum monthly rent of \$25,376.00 which will continue unchanged through September 12, 1993.

Please also send the pro-rated 9/12/93 - 9/30/93 rent for September, 1993.

$$\begin{aligned} \$2,718.90 \div 30 &= \$90.63 \text{ day} \\ 90.63 \times 18 \text{ days} &= \$1,631.34 \\ &===== \end{aligned}$$

In addition to the above we would like to call to your attention our June 9, 1993 letter regarding the above premises.

Estate Tax

Thank you for

Very truly

Peter M. Meier  
Director - Real Estate

PMM:cld  
Enclosures  
\CCTYINV  
Via Certified

CORPORATE OFFICE

Richmond • Stockton • Vallejo • San Carlos • Fresno •

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: <i>Circuit City Stores, Inc. 9950 Mayland Dr. Richmond, VA 23230 Attn: Real Estate Admin.</i>	4. Article Number <i>P138 330 750</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>M. Meier</i>	
7. Date of Delivery <i>10-6-93</i>	

November 4, 1998

Mr. Thomas Nelson  
Senior Vice President- Development & Administration  
Gart Sports Company  
1000 Broadway  
Denver, CO 80203

Re: Sportmart store # 69  
Serramonte Plaza Daly City, CA

Dear Tom:

Enclosed for Sportmart to pay is the original copy of the 1998-1999 real estate bill for Phase 1 of Serramonte Plaza. Phase 1 is the Circuit City, Sportmart and Office Depot portion of Serramonte Plaza.

Pursuant to Sportmarts obligations under section 9 (d) of the sublease, at Sublanlord's option Sportmart is obligated to pay the real estate taxes obligation for the entire property (a "Master Premises Obligation Cost") and to bill Circuit City for their share.

Please provide documentation to Daly City Lease Partners, L. P. evidencing that the 1998-1999 real estate taxes have been paid timely.

This is one example of the Master Premises obligations that was delegated to Sportmart in the sublease agreement. As we discussed in our meeting at Daly City, we are willing to work with Sportmart to amend the sublease to transfer the Master Premises Obligations to Daly City Lease Partners, but we will first need to conclude an agreement on current outstanding issues, which we addressed in our meeting and my September 16, 1998 letter to you. Another Master Premises obligation, for which a condition of default exists under the Sportmart sublease, are the structural repairs to roof beams that have not yet been completed.

I am still awaiting your response to my September 16, 1998 letter.

Thank you for your attention to these matters.

Yours truly,

Peter Meier

C: Dennis Wong



**SUBLEASE**

THIS SUBLEASE (this "Sublease") is made and entered into as of the 9<sup>th</sup> day of November, 1993 by and between **SPORTMART, INC.**, a Delaware corporation (hereinafter called "Subtenant"), and **THE JOHN BREUNER COMPANY**, a California corporation (hereinafter called "Sublandlord").

**Recitals:**

A. By that certain Lease dated March 3, 1970, amended by a certain Consent to Sublease and Amendment of Lease ("Amendment to Prime Lease") dated as of July 14, 1989, copies of which are attached hereto as Exhibit A and by this reference made a part hereof (said lease and the Amendment to Prime Lease hereinafter collectively called the "Prime Lease"), Crocker Land Company, a California corporation ("Crocker"), leased to Sublandlord a total of approximately 120,000 square feet of ground floor and mezzanine space as depicted on Exhibit C (hereinafter called the "Master Premises"), being a portion of the shopping center commonly known as Serramonte Plaza, located at Gellert Boulevard & Serramonte Boulevard in Daly City, California and legally described on Exhibit B attached hereto (the "Shopping Center"). The initial term of the Prime Lease commenced on November 11, 1970 and will expire on November 10, 1998. Sublandlord has options ("Prime Lease Options") to extend the term for three (3) successive additional periods of five (5) years each, which, if exercised in full, would extend the expiration date of the Prime Lease to November 10, 2013.

B. Crocker's successor in interest and the current landlord under the Prime Lease is Serramonte Plaza L.P., a California limited partnership (hereinafter, together with its successors and assigns, called "Landlord").

C. A portion of the Master Premises ("Circuit City Premises"), as depicted on Exhibit C, has been subleased to Circuit City Stores, Inc. (that company, or its successor occupants of the Circuit City Premises, referred to as "Circuit City") by Sublease dated June, 1989 ("Circuit City Sublease").

D. Subject to the consent of Landlord, Subtenant desires to sublease from Sublandlord and Sublandlord desires to sublease to Subtenant the remainder of the Master Premises (hereinafter called the "Subpremises"), containing approximately 77,500 square feet (subject to remeasurement as provided in Paragraph 4(a)(i) below) and depicted on Exhibit C attached hereto and made a part hereof, all upon the terms and subject to the conditions and provisions hereinafter set forth.

lines to the building; and (iv) all costs, to the extent not reimbursed by insurance, to repair or reconstruct the building after casualty, as required under Paragraph 26 of the Prime Lease.

(d) Taxes and Insurance. At Sublandlord's option, Subtenant shall also (i) pay the real estate taxes which are otherwise the responsibility of Sublandlord under subparagraph 6(a)(i) above and Paragraph 29 of the Prime Lease, and (ii) obtain, maintain and pay the premiums for the insurance policies to be maintained by Sublandlord under subparagraph 6(a)(ii) above and Paragraph 30 of the Prime Lease. The costs incurred and funds expended in connection with the foregoing (including reasonable costs and fees expended in protesting any taxes) are Master Premises Obligations Costs.

(e) Payment of Master Premises Obligations Costs. Subtenant shall be responsible for its pro rata share of the Master Premises Obligations Costs incurred from time to time, and Circuit City shall be responsible for the balance (its pro rata share) of such Master Premises Obligations Costs. Circuit City shall pay to Subtenant Circuit City's share of the Master Premises Obligations Costs within thirty (30) days after receipt of Subtenant's invoice therefor. If Circuit City fails to make such payment within ninety (90) days after receipt of Subtenant's invoice, Subtenant may then invoice Sublandlord for such amount with interest from the date payment was due from Circuit City. If Sublandlord fails to pay such amount within thirty (30) days after receipt of Subtenant's invoice, Subtenant may deduct such amount, with interest as provided herein, from the next installment or installments of rent accruing hereunder. Sublandlord shall cooperate with Subtenant in directing Circuit City to pay its share of Master Premises Obligations Costs directly to Subtenant.

10. Alterations. Subtenant may, at its expense, make additions and alterations to the improvements constituting the Subpremises, provided that (i) if so required under the Prime Lease (but unless Landlord and Subtenant have agreed otherwise), Subtenant shall have first obtained the approval of Landlord, and (ii) such work shall be expeditiously completed in a good and workmanlike manner and in compliance with all applicable legal requirements, the requirements of all insurance policies required to be maintained hereunder and any other requirements under the Prime Lease. All such additions and alterations shall be and remain part of the realty and the property of Landlord, and shall be deemed part of the Subpremises and shall be subject to this Sublease. Subtenant may place upon the Property any inventory, trade fixtures, machinery or equipment belonging to Subtenant or third parties and may remove the same at any time during the term of this Sublease, provided that Subtenant shall repair any damage to the Subpremises caused by such removal. There shall be no adjustment of Minimum Rent hereunder resulting from any Subtenant alterations, additions or improvements, nor shall there be any further remeasurement of the Subpremises.

LEASE

PARTIES:

1. This Lease, made in duplicate at San Francisco, California, the 3rd day of March, 19 70, by and between CROCKER LAND COMPANY, a California corporation, hereafter called Lessor, and JOHN BREUNER COMPANY, a California corporation, hereafter called Lessee.

W I T N E S S E T H

PREMISES:

2. In consideration of the rent reserved and of the covenants to be performed by Lessee, Lessor hereby leases to Lessee and Lessee hereby hires from Lessor the premises situated in the City of Daly City, County of San Mateo, State of California, as described in Exhibit A attached hereto.

TERM:

3. (a) The term of this lease shall be for a period of twenty eight (28) years, commencing as in Section 28 herein provided, unless sooner terminated under the terms and conditions of this lease.

(b) So long as Lessee is not in default under the terms and provisions of this lease to be observed or performed by Lessee, then Lessee shall have an option to extend this lease for three successive additional periods of five (5) years each on the same terms and conditions contained herein, so far as applicable, provided, however, that Lessee shall not be entitled to any further extension of the lease beyond said three extensions. To exercise

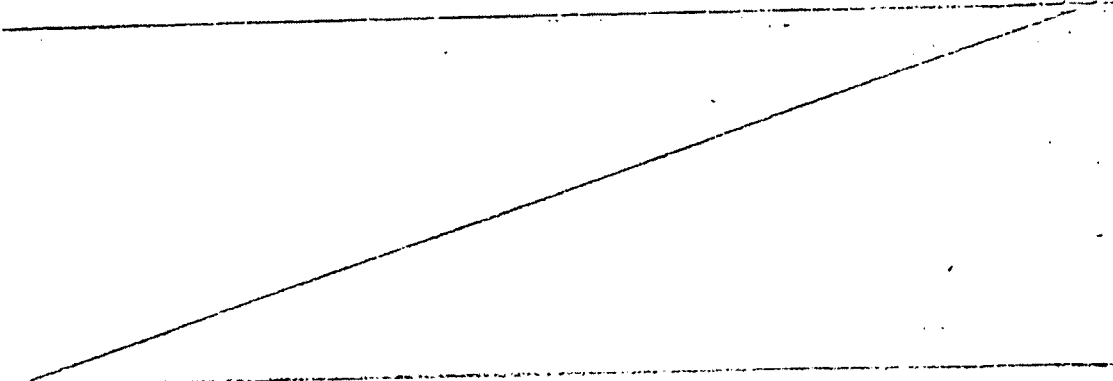
Orders 1 through 10 thereto and changes specified in letter of Haver, Nunn & Jensen, Architects, dated February 24, 1970, comprising part of Exhibit C. All the foregoing documents are by reference incorporated herein and made a part hereof.

COMMENCEMENT OF TERM:

28. The term hereof shall commence on the date on which Lessor delivers to Lessee a sum of money equal in amount to the sum of those items included in paragraphs (a) 2. and (a) 4. of Exhibit B. Said delivery of money must be within ten (10) days after Lessee delivers to Lessor an architect's or engineer's certificate that the new building has been completed as provided herein.

TAXES:

29. In addition to all other payments herein provided to be made by Lessee and as additional rental hereunder, Lessee agrees to pay before delinquency all real property taxes and assessments which have become or may become a



lien upon the demised premises (or are otherwise imposed or assessed on the demised premises) or any portion thereof or upon improvements thereon or improvements added thereto during the term of this lease. In addition to rental and other charges to be paid by Lessee hereunder, Lessee agrees that if at any time during the term hereof, under the laws of California or any political subdivision thereof, a tax or excise on rents or other tax (except income tax), however described, shall be levied or assessed by California or said political subdivision against Lessor on account of the rental expressly reserved hereunder, Lessee shall reimburse to Lessor, upon demand, any and all such tax or excise on rents or other taxes. If Lessee fails to pay such taxes, in addition to all other remedies Lessor has hereunder, Lessor shall have the right to pay any or all of such taxes and to recover reimbursement therefor from Lessee. Taxes for the year in which this lease commences and for the year in which it terminates shall be equitably prorated. Should the amount of taxes on real property payable by Lessee as hereinabove provided and applying only to the real property provided by Lessor (as established in Exhibit B, paragraph (a) 1. and (a) 2.), exceed \$63,600 annually, then Lessee may request reimbursement from Lessor for said excess; provided, however, that said reimbursement shall only be payable from Lessor from percentage rents already paid to Lessor by Lessee during the prior lease year only, and, further, provided that percentage rents received by Lessor from gross sales (as defined in Exhibit B) of less than \$7,000,000 shall be exempt from this reimbursement provision.

30. Lessee shall keep the demised premises insured against loss or damage by fire, with extended coverage, to the extent of 100% of the replacement value of the improvements on said premises (including any improvements made during the term hereof). Lessee shall pay the premium of such insurance from time to time, as and when such premiums shall become due.

The insurance hereunder shall be payable to Lessor and Lessee as their interest may appear, in companies and with provisions satisfactory to Lessor; and Lessor shall be entitled to duplicate policies and to ten (10) days' advance written notice of the cancellation of any insurance coverage. In the event that Lessee shall fail to obtain such insurance or to keep the same in full force and effect, Lessor may procure the same, and Lessee shall upon demand reimburse Lessor for the premiums thereon.

Lessee agrees that if Lessor encumbers or has encumbered the demised premises to a lender by Deed of Trust, mortgage or other security device, at Lessor's discretion loss shall be made payable to such lender. Lessor agrees that monies, to the extent of insurance proceeds received by either Lessor or such lender under a policy of insurance described by this section, will be disbursed in installments to Lessee or to Lessee's building contractor according to the progress of the work of repairing or rebuilding the demised premises under Section 26. Lessee agrees that in the event Lessor exercises its right under Section 26 hereof to terminate this lease due to damage or destruction to the premises occurring during the last three years of the lease term, the insurance proceeds payable under the policy or policies of insurance covered by this section shall be paid to Lessor.

GENERAL PLANNING STANDARDS:

31. (a) No building or structure of any kind, including but



JOHN BREUNER COMPANY  
LEASED PROPERTY

JOE: Circuit City Daly City  
DESCRIPTION: Sublease 41,360 sq ft 29,700 sq ft Existing Ground Floor 3560 sq ft Existing Mezz 6300 sq ft NEW Mezz  
LOCATION: College Blvd. 37,170 sq ft GROUND FLOOR 4,190 Mezz SERRAMONTE

Sub LESSOR: Breuners  
ADDRESS: \_\_\_\_\_  
PHONE: \_\_\_\_\_

Master LESSOR: SERRAMONTE Plaza L.P.  
VMS Realty Partners  
8700 W. BRYN MAWR AVE.  
Chicago, IL 60631  
Attn: Greg Smith  
312-399-8864

LEASE EXPIRATION: 11/10/98 LEASE COMMENCEMENT DATE: 9/12/89  
LEASE YEAR: 3/1 - 2/28 For % RENT Purposes 9/12/93  
OPTIONS: 3 - 5 YRS  
DATE OPTION NOTICE REQUIRED

Next RENT Adjustment 9/12/97  
DATE EXERCISED: \_\_\_\_\_

1ST: 11/11/98 - 11/10/2003 \$28,421  
2ND: 11/11/2003 - 11/10/2008  
3RD: 11/11/2008 - 11/10/2013  
4TH: \_\_\_\_\_  
RENT BASIS: MINIMUM RENT 9/12/89 - 9/11/93 \$22,657.50 MO. / \$271,890 ANNUAL  
9/12/93 - 9/11/97 \$25,376.40 MO. / \$304,516 ANNUAL  
9/12/97 - 9/11/02 \$28,421.56 MO. / \$341,059.92 ANNUAL  
9/12/02 - 9/11/05 \$427,823.05 MO. / \$5,133,876.60 ANNUAL  
9/12/05 - 9/11/08 \$479,161.82 MO. / \$5,749,941.84 ANNUAL  
% RENT 1% > 30MM BKpt Adjusts w/ MIN RENT 12% every 4 YEARS  
GROSS SALES REPORTS DUE: Quarterly July 15, Oct 15, Jan 15, April 15 Annual Report Due April 30

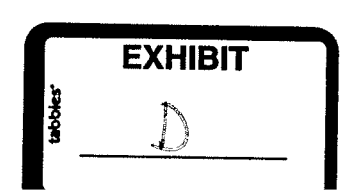
AMENDMENTS: DATED: \_\_\_\_\_  
SUBLEASES: DATED: \_\_\_\_\_  
RENT TO LESSOR: \_\_\_\_\_

RENT TO BREUNERS:  
9/12/97 341,059.92  
9/12/01 427,823.05  
9/12/05 479,161.82

Breuners shall Notify Circuit City of its intent to exercise each option to extend the Master Lease Not more than 25 nor less than 24 months prior to the end of the current term thereof.

FORMTOOL\LSDPROP

Delivery DATE 9/12/89  
Rent Commencement 180 days 3/10/90  
\*RENT BASIS 29,700 sq ft Existing ground floor x .70 = \$20,790  
1 new ground floor x .25 = \$1,867.50  
\$22,657.50



**Daly City Lease Partners, LLC**  
**Prime Lease**

**ADDRESS:** 303 Gellert Blvd., Daly City, CA  
Building Area: 120,000 sq ft.

Land Area:  
Lease premises: 37,170 sq ft

**LESSEE INFO:**

Company's Name: Circuit City Stores, Inc.  
Address: 303 Gellert Blvd.  
Daly City, CA 94015

Telephone: 755-0101  
(850) 301-9000  
Fax:

Contact Person: Mr. Rob Quillin, Store Manager

Notice Address: Circuit City Stores, Inc.  
9950 Maryland Drive  
Richmond, VA 23233-1484

Telephone: (804) 527-4000  
Fax: (804) 527-4186

Contact Person: Benjamin B. Cummings, Jr., VP of Real Estate  
Maureen Bero, Property Administrator

*Risk Mgmt -> 4/1/07*

Method of Delivery: Personally delivered, facsimile, or US Mail registered or certified, postage prepaid, return receipt requested

Lease Expiration Date: 11/10/98  
Initial Term: 9 years

Lease Commencement Date: 09/12/89  
Rent Commencement Date:

Options: 3

Date Option Notice Required: Not more than twenty-five (25) months nor less than twenty-four (24) months prior to the end of the current term thereof.

1st Option: 5 years  
2nd Option: 5 years  
3rd Option: 5 years

Date Option Exercised: LEASE  
10/01/96 Extends to 2/10/03  
03

Insurer: Federal Insurance Company  
Travelers Indemnity Co. of IL

Coverage: General Liability  
Policy Pd: 10/01/97 - 10/01/98

*% Rent  
BK Rent*

**RENT INFO :**

Term	Amount/Month	Amount/Year	Amount/Sq Ft/Year
09/12/89-09/11/93	\$22,657.50	\$271,890.00	\$0.70 & \$0.25
09/12/93-09/11/97	\$25,376.40	\$304,516.80	12% increase
09/12/97-09/11/01	\$28,421.57	\$341,058.82	12% increase
09/12/01-09/11/05	\$31,832.16	\$381,985.88	12% increase

*30,000,000  
33,600,000  
37,632,000  
41,147,840*

**OPERATING COSTS:**

	Total Annual	Pro Rata Share	Payable
Percentage Rent	Varies	1% Breakpt 30 MM	Quarterly
CAM	Varies	29%	Monthly
Insurance	Varies	29%	Monthly
R.E. Taxes	Varies	29%	Monthly
Mgmt Fee	Varies	10%	Monthly

**Percentage Rent:** 1% > 30 MM; Breakpoint shall be adjusted simultaneously with the adjustment of annual fixed minimum rental and by the same percentage. % rent shall be determined and payable quarterly on the 45th day following the close of each full lease year quarter during the term of this Sublease.

**Late Charge:** ?

Location #253  
303 Gallert Blvd.  
Daly City, CA

*Xtus Corp*

#### ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE ("Assignment") is made as of May 1, 1994, by and between CIRCUIT CITY STORES, INC., a Virginia corporation ("Assignor"); and CIRCUIT CITY STORES WEST COAST, INC., a California corporation ("Assignee").

#### RECITALS:

A. Assignor is the lessee under that certain lease or sublease described in Exhibit A attached hereto (as now or hereafter amended, "the Lease") for the premises described in the Lease (the "Leased Premises").

B. Assignee is a wholly-owned subsidiary of Assignor.

C. Assignor desires to assign its right, title and interest in the Lease to Assignee, and Assignee desires to accept such assignment and assume the performance of all of Assignor's obligations under the Lease on the terms set forth herein.

#### AGREEMENTS:

NOW, THEREFORE, it is mutually agreed among the parties as follows:

1. As of the date hereof, Assignor assigns, transfers, sells and conveys to Assignee (a) all of Assignor's right, title, interest and estate in and to the Lease and (b) all of Assignor's other rights, title and interest with respect to the Leased

Premises, including without limitation, all licenses, rights, permits, warranties and entitlements applicable to the Leased Premises.

2. As of the date hereof, Assignee accepts said assignment and expressly assumes the payment and performance of all of Assignor's obligations under the Lease arising from and after the date hereof.

3. Notwithstanding anything to the contrary contained herein, Assignor shall not be released from the performance of the lessee's obligations under the Lease, and Assignor shall remain primarily liable for said performance, including without limitation, the payment of all rent and the performance of all of the lessee's other obligations throughout the remainder of the term of the Lease.

4. Assignor warrants that it has good and marketable leasehold title to, and lawful possession of, the Leased Premises pursuant to the Lease. Assignor shall indemnify, defend and hold harmless Assignee from and against any loss, damage, claim, cost or expense (including reasonable attorneys' fees and litigation expenses) incurred or suffered by, or asserted against, Assignee as a result of a breach by Assignor of the foregoing warranty of title contained herein.

5. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

WITNESS the following signatures.

ASSIGNOR:

CIRCUIT CITY STORES, INC.

By: P. Dunn  
Title: Treasurer

ASSIGNEE:

CIRCUIT CITY STORES WEST  
COAST, INC.

By: P. Dunn  
Title: Treasurer + CFO

**EXHIBIT A**

The lease dated July 14, 1989 for the following premises between  
The John Breuner Company and Circuit City Stores, Inc. as now or  
hereafter amended:

Location #253  
303 Gellert Blvd.  
Daly City, CA



Circuit City Stores, Inc.  
9954 Mayland Drive  
Richmond, VA 23233-1464  
T 804.527.4000

November 7, 2006  
VIA DHL OVERNIGHT

ATTN: Lauren Marcogliese  
Daly City Lease Partners I, L.P. (Sublease Lessor)  
c/o SPI Holdings, Inc.  
650 California Street, Suite 1288  
San Francisco, CA 94108

ATTN: Lauren Marcogliese  
Daly City Partners I, L.P. (Master Lessor)  
c/o SPI Holdings, Inc.  
650 California Street, Suite 1288  
San Francisco, CA 94108

Re: Circuit City Store #00253  
Serramonte Plaza  
303 Gellert Boulevard  
Daly City, California 94015-2613

Dear Ms. Marcogliese:

Daly City Lease Partners I, L.P. ("Lessor") and Circuit City Stores West Coast, Inc. ("Lessee") through their respective predecessors-in-interest entered into the following Sublease: Sublease dated July 14, 1989 originally between The John Breuner Company as Lessor and Circuit City Stores, Inc. as Lessee for the above referenced Subleased Premises. The Sublease as it has been amended, supplemented and assigned is referred to herein as the "Sublease."

Under section 4 of the Sublease, Lessee has the option to renew and extend the term of the Sublease for three (3) successive option periods of five (5) years each. Notice is hereby given to you of the exercise by Lessee of its option to renew and extend the Sublease for the third option period to expire on November 10, 2013.

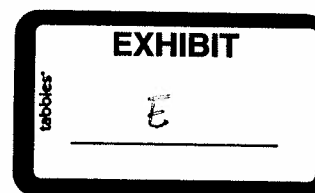
Please acknowledge receipt of this letter by signing and returning to the undersigned a copy of this letter. However, we intend that our exercise of this option shall be effective whether or not you sign and return the enclosed copy of this letter.

Very truly yours,

A handwritten signature in cursive script that reads "Tom Maroney".

Tom Maroney  
Manager, Real Estate Dispositions

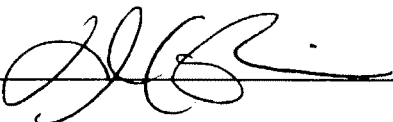
TM/sas



ATTN: LAUREN MARCOGLIESE  
NOVEMBER 7, 2006  
PAGE 2

cc: Danny Clark  
Doug Yost  
Darren Grill  
John Mulleady  
Denise Coover  
Janet Gibbs  
Preston Flowers  
Marice Garcia-Little

RECEIPT IS ACKNOWLEDGED THIS 10 DAY OF November, 2006.

BY:  \_\_\_\_\_

TITLE: Property Manager \_\_\_\_\_



## CALIFORNIA PRELIMINARY 20-DAY NOTICE

(In accordance with Civil Code Sections 3097 and 3098)

### PRIVATE WORKS PROJECTS

#### TO: CONSTRUCTION LENDER (Or Reputed If Any)

Name: \_\_\_\_\_  
Street: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_

#### TO: ☒ OWNER OR REPUTED OWNER

Name: Daly City Partners 1 LP, c/o SPI Holdings LLC  
Street: 650 California St #1288  
City, State, Zip: San Francisco, CA 94108

#### TO: ORIGINAL CONTRACTOR (Or Reputed Contractor)

Name: \_\_\_\_\_  
Street: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_

#### TO: OTHER (If any):

Name: Circuit City Stores, Inc.  
Street: 9954 Mayland Dr  
City, State, Zip: Richmond, VA 23233

General description of the labor, service, equipment, or materials furnished, or to be furnished, and an estimate of the total price:

Painting  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\$ 28,021.00

#### NAME AND ADDRESS OF CLAIMANT GIVING THIS NOTICE:

Name: Gordon Painting Co., Inc.  
Street: 13755 Stockton Ave.  
City, State, Zip: Chino, CA 91710

#### NAME OF PERSON OR FIRM THAT CONTRACTED TO PURCHASE THE LABOR, SERVICE, EQUIPMENT, OR MATERIALS:

Circuit City - Doug Duvall

#### DESCRIPTION OF JOB SITE SUFFICIENT FOR IDENTIFICATION

Circuit City #253  
303 Gellert Blvd  
Daly City, CA

#### NOTICE TO PROPERTY OWNER

If bills are not paid in full for the labor, services, equipment, or materials furnished or to be furnished, a mechanic's lien leading to the loss, through court foreclosure proceedings, of all or part of your property being so improved may be placed against the property even though you have paid your contractor in full. You may wish to protect yourself against this consequence by (1) requiring your contractor to furnish a signed release by the person or firm giving you this notice before making payment to your contractor, (2) any other method or device that is appropriate under the circumstances. Other than residential homeowners of dwellings containing fewer than five units, private project owners must notify the original contractor and any lien claimant who has provided the owner with a preliminary 20-day lien notice in accordance with Section 3097 of the Civil Code that a notice of completion or notice of cessation has been recorded within 10 days of its recordation. Notice shall be by registered mail, certified mail, or first-class mail, evidenced by a certificate of mailing. Failure to notify will extend the deadlines to record a lien.

**PROOF OF SERVICE AFFIDAVIT:** The undersigned served copies of this Preliminary Notice by first class registered or certified mail, postage prepaid, on the persons and at the addresses shown above on:

Date: 11/12/08

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: 11/12/08

Signature

*[Handwritten Signature]*

EXHIBIT

tabbles

F

RECORDING REQUESTED BY  
NORMAN A. FILER

WHEN RECORDED MAIL TO

LAW OFFICES OF NORMAN A. FILER  
500N. State College Blvd., Suite 1270  
Orange, CA 92868

2008-128025 CONF

09:39am 11/24/08 MLL Fee: 15.00

Count of pages 2

Recorded in Official Records

County of San Mateo

Warren Slocum

Assessor-County Clerk-Recorder



\* 2 0 0 8 0 1 2 8 0 2 5 A R \*

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

MECHANIC'S LIEN

EXHIBIT

tabbles

G

RECORDING REQUESTED BY  
NORMAN A. FILER  
WHEN RECORDED MAIL TO

NORMAN A. FILER, ESQ.  
LAW OFFICES OF NORMAN A. FILER  
500 N. STATE COLLEGE BLVD.  
SUITE 1270  
ORANGE, CA 92868

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

## Mechanics' Lien (Claim of Lien)

(To be recorded in the county recorder's office in the county in which the property is located.)

NOTICE IS HEREBY GIVEN: That GORDON PAINTING CO., INC. as claimant claims a lien for labor, service, equipment, or materials under Section 3082 et Seq. of the Civil Code of the State of California, upon the premises hereinafter described, and upon every estate or interest in such structures, improvements and premises held by any party holding any estate therein.

Said labor, service, equipment or materials were furnished for the construction of those certain buildings, improvements, or structures, now upon that certain parcel of land situated in the County of SAN MATEO State of California, said land described as follows:

STREET ADDRESS: 303 GELLERT BLVD., DALY CITY, CA 94015

LEGAL DESCRIPTION: (CIRCUIT CITY STORE NO. 253)

Said lien is claimed for the following labor, services, equipment or materials: (describe labor, services, equipment, or materials in detail) PAINTING

Amount due after deducting all just credits and offsets... \$ 28,021.00


The name of the person or company by whom claimant was employed or to whom claimant furnished labor, services, equipment, or materials is: CIRCUIT CITY STORES, INC.

That 

DALY CITY PARTNERS I LP C/O SPI HOLDINGS, LLC	650 CALIFORNIA STREET, #1288 SAN FRANCISCO, CA 94108
--	---

 is/are the reputed owner(s) of said building and/or premises, or some interest therein.

Date: 11/18/2008 Name of Claimant: GORDON PAINTING CO., INC.

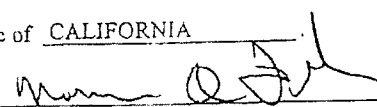
By:   
NORMAN A. FILER, ATTORNEY

### VERIFICATION

I, the undersigned, state: I am the ATTORNEY of the claimant named in the foregoing mechanics' lien; I have read said claim of mechanics' lien and know the contents thereof, and I certify that the same is true of my own knowledge.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 11/18/2008, at ORANGE State of CALIFORNIA



**Peter Meier**

**From:** Norman Filer [norman\_filer@hotmail.com]  
**Sent:** Friday, February 06, 2009 9:32 AM  
**To:** pmeier@spiholdings.com  
**Subject:** RE: Daly City Mechanics Lien

Thank you. I will forward a copy of the Release of Mechanic's Lien for your review.

Norm Filer

Norman A. Filer  
LAW OFFICES OF NORMAN A. FILER  
500 N. State College Blvd., Ste. 1270  
Orange, CA 92868  
Tel (714) 634-1717 Fax (714) 634-2855

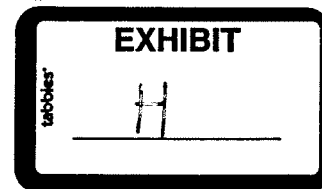
From: pmeier@spiholdings.com  
To: norman\_filer@hotmail.com; don@gordonpainting.com  
Subject: RE: Daly City Mechanics Lien  
Date: Fri, 6 Feb 2009 09:29:34 -0800

Hi Norm:  
We will be able to forward a cashier's check, that is not a problem.  
Sorry to have missed your call this am, I have been tied up on a long call.

PM

Peter Meier  
SPI Holdings, LLC  
650 California St, Suite 1288  
San Francisco, CA 94108  
Tel: (415) 273-0382  
Fax: (415) 391-9142  
Email: pmeier@spiholdings.com

**From:** Norman Filer [mailto:norman\_filer@hotmail.com]  
**Sent:** Friday, February 06, 2009 9:21 AM  
**To:** don@gordonpainting.com; pmeier@spiholdings.com  
**Subject:** RE: Daly City Mechanics Lien



Don:

Peter Meier and I have not yet spoken. I telephoned him yesterday and he called me back yesterday. I left a message for him this morning.

Mr. Meier, the reason for my call was to discuss my need for a cashier's check so that I can safely

hold the check "in trust" without forwarding it to Don for deposit while I record the Release of Mechanic's Lien. Hopefully this is understandable and is agreeable. Please let me know.

Norm Filer

Norman A. Filer  
LAW OFFICES OF NORMAN A. FILER  
500 N. State College Blvd., Ste. 1270  
Orange, CA 92868  
Tel (714) 634-1717 Fax (714) 634-2855

Subject: RE: Daly City Mechanics Lien  
Date: Thu, 5 Feb 2009 15:20:39 -0800  
From: Don@gordonpainting.com  
To: pmeier@spiholdings.com  
CC: NORMAN\_FILER@HOTMAIL.COM

Pete

Norm Filer was going to call you this morning to discuss getting a cashiers check in lieu of a company check. I was just wondering if you two spoke today?

Don Guber

**From:** Peter Meier [mailto:pmeier@spiholdings.com]  
**Sent:** Wednesday, February 04, 2009 4:47 PM  
**To:** Don  
**Subject:** Daly City Mechanics Lien

Hi Don:

Following up on our phone call today. We both agreed to settle the Mechanics Lien for the total sum of \$17,438.00. The steps for settling the matter will be the following:

1. You will complete the documentation required to be recorded at the San Mateo County Records Office to completely release and remove the mechanics lien from the property.
2. When you have the lien release document completed you will email/fax a copy to our office for review.
3. Upon our acceptance of the release documentation, we will forward to your attorney Norm Filer our check payable to Gordon Painting in the amount of \$17,438.00 with instructions to Norm to hold the check at his office until the Mechanics Lien release documents have been recorded at the San Mateo County Records Office with confirmed copies forwarded to us.
4. Upon confirmation that the lien release documents have been recorded, Norm will release the check to Gordon Painting.

I believe that correctly summarizes our agreement. Please let me know if I incorrectly stated anything or left something out.

We appreciate being able to resolve the matter with you and we will work to get this wrapped up ASAP.

Yours truly

2/11/2009

Peter Meier  
SPI Holdings, LLC  
650 California St, Suite 1288  
San Francisco, CA 94108  
Tel: (415) 273-0382  
Fax: (415) 391-9142  
Email: pmeier@spiholdings.com

Windows Live™: E-mail. Chat. Share. Get more ways to connect. See how it works.

Windows Live™: E-mail. Chat. Share. Get more ways to connect. Check it out.

Bank of America 

Cashier's Check

No. 9523000748

Bank of America, N.A.  
San Antonio, Texas  
318/0005583 NBKM27G

Global Product Solutions RE

30-1/1140

DATE  
02/12/2009 12:42:07 PM

PAY



BANK OF AMERICA **SEVEN** **17438** **00**  
ONE FOUR THREE EIGHT CTSCTS

\*\*\*\*\*\$17,438.00

To The GORDON PAINTING COMPANY, INC.  
Order Of PAINTING OF CIRCUIT CITY STORES, INC.

Remitter: SPI HOLDINGS, LLC

Void Over \$ 17,438.00

  
AUTHORIZED SIGNATURE

⑈9523000748⑈ ⑆121000358⑆ 1397285075⑈

THE ORIGINAL DOCUMENT HAS A REFLECTIVE WATERMARK ON THE BACK.

HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENTS.

90-12-23823 02-2005

**SPI**  
**Check Request Form**

Request Date: 2/11/09

Requested By: P Meier

Date Check Needed: 2/12/09

Check Amount: \$17,438.00

Pay From: DC I

Pay To: Bank of America

Address:

Purpose: To Obtain Cashiers Check for Gordon Painting  
Company, Inc to release Circuit City Mechanics Lien  
Against DC I

Code:

Invoice is: attached, will, will not, follow (underline one)

Authorized by:



2009-019462 CONF

10:34am 02/24/09 MR Fee: 15.00

Count of pages 3

Recorded in Official Records

County of San Mateo

Warren Slocum

Assessor-County Clerk-Recorder



\* 2 0 0 9 0 0 1 9 4 6 2 A R \*

RECORDING REQUESTED BY  
NORMAN A. FILER  
WHEN RECORDED MAIL TO

LAW OFFICES OF NORMAN A. FILER  
500 N. STATE COLLEGE BLVD.  
SUITE 1270  
ORANGE, CA 92868

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

**RELEASE OF MECHANIC'S LIEN**

The Mechanic's Lien claimed by Gordon Painting Company, Inc. against Circuit City Stores, Inc. and Daly City Partners 1 LP, claiming a lien upon that certain real property located in the County of San Mateo, State of California, and described as follows: 303 Gellert Blvd., Daly City, CA 94015 ; also known as "Circuit City Store No. 253", which is dated November 18, 2008 and recorded as Document No. 2008-128025 on November 24, 2008, Official Records of San Mateo County, State of California, is hereby released.

GORDON PAINTING COMPANY, INC.

Dated: February 6, 2009

BY:

A handwritten signature in black ink, appearing to read "Norman A. Filer".  
NORMAN A. FILER, Attorney

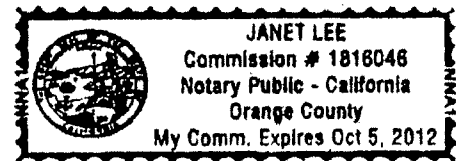
ACKNOWLEDGMENT

State of California )  
County of Orange )

On FEBRUARY 6, 2009, before me, JANET LEE, Notary Public, personally appeared NORMAN A. FILER, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature \_\_\_\_\_

A handwritten signature in cursive script, appearing to read "Norman A. Filer", written over a horizontal line.

(Seal)

01/19/2009 16:07 FAX 3038842102  
01/16/2009 12:24 FAX

SPORTS AUTHORITY

004

001

**SPORTS  
AUTHORITY****SPORTS AUTHORITY**1050 W. HAMPDEN AVE  
ENGLEWOOD, CO 80110  
720-475-2812 fax 303-830-1035

Invoice No.

80

**INVOICE**

Customer		Date	
Name	CIRCUIT CITY STORES, INC	Date	11/14/2008
Address	ATTN: TAX DEPT - DR III, 6TH FLOOR	Order no.	
City	9954 MAYLAND DRIVE	Rep	
State	RICHMOND	FOB	
ZIP	VA 23233		
Phone	804-527-4000		

Qty	Description	Unit Price	TOTAL
1	2008-2009 REAL ESTATE TAX CIRCUIT CITY PRO RATA SHARE	\$189,498.08 29.00%	\$54,954.44
		\$54,954.44	
PLEASE REMIT PAYMENT TO: SPORTS AUTHORITY ATTN: REAL ESTATE ACCOUNTING 1050 W HAMPDEN AVE ENGLEWOOD, CO 80110			
		SubTotal	\$54,954.44
		Shipping & Handling	
		Taxes	
		TOTAL	\$54,954.44

**Payment Details**

☐ Cash

☒ Check

☐ Credit Card

**Payment Details**

- ☐ Cash  
☒ Check  
☐ Credit Card

Name

CC #

Expires

Office Use Only

**EXHIBIT**

tabbles

01/19/2009 16:08 FAX 3038642102  
01/16/2009 12:24 FAX

SPORTS AUTHORITY

005

002

CIRCUIT CITY  
DALY CITY  
2008/2009 REAL ESTATE TAX

2008/2009 REAL ESTATE TAX	\$189,498.08
MULTIPLIED BY CIRCUIT CITY'S PRO RATA SHARE	<u>29.00%</u>
TOTAL DUE	\$54,954.44

01/19/2009 16:08 FAX 3038642102  
01/19/2009 12:24 FAX

SPORTS AUTHORITY

006

003

SPI HOLDINGS, LLC

November 4, 2008

Narcy Jackson  
The Sports Authority  
1050 West Hampden Avenue  
Englewood, CO 80110

RE: 301 Serramonte Plaza, Daly City, CA  
2008-2009 Secured Property Tax Bill

Dear Mr. Jackson:

Please find enclosed the 2008-2009 Secured Tax Bills for the above referenced property. The first installment is due on or before **December 10, 2008**. The second installment is due on or before **April 10, 2009**. Please send proof of payment to our office.

Thank you for your attention to this matter. Should you have any questions, please call (415) 273-0397.

Sincerely,



Lori Mallari

Encl.

01/19/2009 16:09 FAX 3038642102  
01/16/2009 12:25 FAX

Exhibit A (Part 2) Page 38 of 44

SPORTS AUTHORITY

0007

0004

2009

2008-2009

FOR FISCAL YEAR BEGINNING JULY 1, 2008 AND ENDING JUNE 30, 2009

PARCEL NUMBER 091-541-340 BILL# 381854 356695

LEGAL DESCRIPTION  
6.83 AC MOL BEING PTN OF LOT 1 BLK 58 SE  
RRAMONTE UNIT NO 13 RSM 72/1-2

SITUS:

301 SERRAMONTE PLZ DALY CITY

DALY CITY PARTNERS LLE  
C/O SPI MANAGEMENT, INC  
650 CALIFORNIA ST, STE 1288  
SAN FRANCISCO, CA 94108

Land 8,444,384  
Improvements 7,586,140  
Fixtures 0  
Personal Property 0  
Full Cash 17,030,524  
Exemption 0  
Value After Exemption 17,030,524

TAXING AGENCY RATE AMOUNT

GENERAL TAX RATE 1.0000 170305.24  
JEFFERSON EL BD S .0354 6028.81  
JEFFERSON HI BD R .0333 5671.16  
SM JR COLLEGE BD .0165 2810.03  
GENERAL TAX TOT 1.0852 184815.24  
FACCA/NPDES Storm Fee (650)599-1417 170.18  
Jefferson UHSD Maint (800)273-5167 50.00  
SMC Mosq Abatement Assmnt (800)273-5167 231.98  
CA Storm Fee-Local (650)991-8084 904.88  
NSMCSO SEWER FEE (650)991-8084 3325.80  
Tax Payable 189498.08

1 DUE NOVEMBER 1, 2008  
AFTER DECEMBER 10, 2008, ADD 10% PENALTY TO YOUR PAYMENT  
94,749.04

2 DUE FEBRUARY 1, 2009  
AFTER APRIL 10, 2008, ADD 10% PENALTY  
+ \$40.00 COST TO YOUR PAYMENT  
94,749.04

Pay Online at [www.sanmateocountytaxcollector.org](http://www.sanmateocountytaxcollector.org)

Exch this card and return with your payment

WRITE YOUR PARCEL NUMBER  
ON YOUR CHECK AND USE  
AN ENCLOSED ENVELOPE

IF PROPERTY HAS BEEN SOLD  
PLEASE FORWARD THIS  
BILL TO THE NEW OWNER

PA WILL BE PAID PERSONALLY

SECOND INSTALLMENT PAYMENT  
CANNOT BE ACCEPTED UNLESS  
FIRST INSTALLMENT IS PAID

MARK YOUR CALENDAR -

10 REMINDER NOTICES WILL BE MAILED

PARCEL NUMBER

091-541-340  
09/03/08

ASSESSED TO:

DALY CITY PARTNERS LLE  
C/O SPI MANAGEMENT, INC  
650 CALIFORNIA ST, STE 1288  
SAN FRANCISCO, CA 94108

PAY DUE FEB. 1, 2009 94,749.04

AFTER APRIL 10, 2009

ADD  
10% PENALTY  
AND \$40.00 COST  
TO YOUR PAYMENT

MAKE CHECKS  
PAYABLE  
AND  
MAIL TO:

LEE DUFFINGTON, TAX COLLECTOR  
SAN MATEO COUNTY  
565 COUNTY CENTER, 1st floor  
REDWOOD CITY, CA 94063

12119200838185409154134000002009041000009474904000104263947

RECEIVED BY: [Signature]

PARCEL NUMBER

091-541-340  
09/03/08

ASSESSED TO:

DALY CITY PARTNERS LLE  
C/O SPI MANAGEMENT, INC  
650 CALIFORNIA ST, STE 1288  
SAN FRANCISCO, CA 94108

BOTH

189,498.08

PAY DUE NOV. 1, 2008 94,749.04

AFTER DEC. 10, 2008 493,490

ADD  
10% PENALTY  
AND \$40.00 COST  
TO YOUR PAYMENT

MAKE CHECKS  
PAYABLE  
AND  
MAIL TO:

LEE DUFFINGTON, TAX COLLECTOR  
SAN MATEO COUNTY  
565 COUNTY CENTER, 1st floor  
REDWOOD CITY, CA 94063

11119200838185409154134000002009041000009474904000104263947

# SPORTS AUTHORITY®

VIA FEDEX & VIA FACSIMILE: 415-391-9142

January 19, 2009

Daly City Partners 1, LP c/o SPI Management Inc  
650 California Street, Suite 1288  
San Francisco, California 94108  
Attn: Legal Department

RE: Sublease Agreement, dated as of November 9, 1993, by and between Daly City Lease Partners I, L.P., a California limited partnership, as successor in interest to The John Breuner Company ("Sublandlord"), and TSA Stores, Inc., a Delaware corporation, successor in interest to Sportmart, Inc. ("Subtenant"), regarding an approximately 78,237 square foot space (the "Premises") located at 301 Gellert Blvd., in the City of Daly, County of San Mateo, State of California in the Serramonte Plaza Shopping Center.

Dear Sir or Madam:

Capitalized terms used, but not defined, herein shall have the meaning(s) ascribed to them in the Sublease.

Pursuant to Section 9(e) of the Sublease, Subtenant may invoice Sublandlord if Circuit City fails to make Additional Rent payments. Attached please find an invoice for 2008-2009 1<sup>st</sup> half of real estate taxes, which was submitted to Circuit City on November 14, 2008. To date they have failed to remit payment. If payment is not received by Subtenant, Section 9(e) allows for Subtenant to abate such amounts from Rent.

In the event Landlord does not respond in a timely manner, Tenant, in reliance upon the terms and conditions of the Lease, will hold Landlord responsible for costs and expenses incurred by Tenant in connection with such matters.

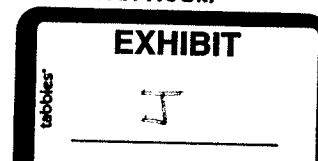
Be further advised that Tenant reserves all rights and remedies available to it under the Lease, at law, or in equity with respect to the existing damages and any damages or losses that may be ascertained or that may occur in the future with respect to this matter.

Please send payment to:

TSA Stores, Inc.  
1050 West Hampden Avenue  
Englewood, CO 80110  
Attn: Melisa Castro-Herrmann – Property Manager

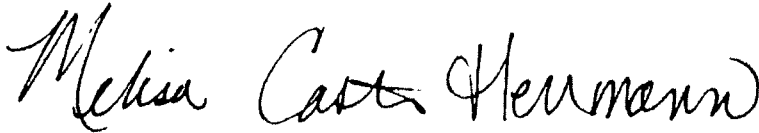
1050 WEST HAMPDEN AVENUE,  
ENGLEWOOD, COLORADO 80110

303-200-5050 TEL  
303-864-2967 FAX  
SPORTSAUTHORITY.COM



Respectfully,

TSA Stores Inc.



Melisa Castro-Herrmann

Property Manager

Phone: 720-475-2755

E-Fax: 720-475-4755

[mcastroherrmann@thesportsauthority.com](mailto:mcastroherrmann@thesportsauthority.com)

Cc: Johanna Griff – TSA  
Margaret Dormish – TSA  
Cynthia Cashman – TSA  
Lease File





# SPORTS AUTHORITY

1050 W. HAMPDEN AVE  
ENGLEWOOD, CO 80110  
720-475-2812 fax 303-830-1035

Invoice No.

60

## INVOICE

<b>Customer</b>	
Name	DALY CITY PARTNERS
Address	650 CALIFORNIA STREET - SUITE 1288
City	SAN FRANCISCO State CA ZIP 94108
Phone	
Date	1/16/2009
Order no.	
Rep	
FOB	

Qty	Description	Unit Price	TOTAL
1	2008-2009 REAL ESTATE TAX	\$189,498.08	\$54,954.44
	CIRCUIT CITY PRO RATA SHARE	29.00%	
	2008-2009 1ST HALF RET OWED	\$54,954.44	
	Sports Authority is demanding payment in accordance with our lease under "Master Premises Obligation Costs"		
	PLEASE REMIT PAYMENT TO: SPORTS AUTHORITY ATTN: REAL ESTATE ACCOUNTING 1050 W HAMPDEN AVE ENGLEWOOD, CO 80110		
		SubTotal	\$54,954.44
		Shipping & Handling	
		Taxes	
		TOTAL	\$54,954.44

<b>Payment Details</b>	
<input type="radio"/>	Cash
<input checked="" type="radio"/>	Check
<input type="radio"/>	Credit Card
Name	
CC #	
Expires	

SubTotal	\$54,954.44
Shipping & Handling	
Taxes	
TOTAL	\$54,954.44

Office Use Only



## SPI Property Management Corp.

Via Certified Mail

February 13, 2009

Real Estate Department  
Circuit City Stores, Inc.  
9950 Mayland Drive  
Richmond, VA 23233

RE: Circuit City Store #253 – Daly City, CA  
2008 CAM Reconciliation

Dear Sir/Madam:

Pursuant to the Lease, attached is the 2008 operating expenses reconciliation for the above referenced store. The actual operating expenses for 2008 were more than the monthly estimated operating expenses paid by Tenant. There is currently a balance due of **\$8,277.69**. Please note that this includes November 2008 Additional Rent of \$3,557.00.

Please remit payment of **\$8,277.69** within the time frame as specified in the Lease.

Should you have any questions, please contact me at (415) 273-0397.

Sincerely,

Lori Mallari  
SPI Property Management Corp

Encl.

Cc: Lauren Marcogliese



**Circuit City Store #253**  
**2008 Yearend CAM Reconciliation**

	Total Expenses	Tenant's Proration	Tenant's Share
Parking Lot Lights	\$ 6,336.91	29.00%	\$ 1,837.70
Parking Lot Sweeping	\$ 23,880.00	29.00%	\$ 6,925.20
Parking Control Service	\$ 12,424.87	29.00%	\$ 3,603.21
Building Security	\$ 14,301.67	29.00%	\$ 4,147.48
Landscaping	\$ 14,312.66	29.00%	\$ 4,150.67
Maintenance	\$ 14,288.37	29.00%	\$ 4,143.63
Roof Repairs	\$ -	29.00%	\$ -
Janitorial/Cleaning	\$ 16,010.76	29.00%	\$ 4,643.12
Fire Sprinkler	\$ 8,879.00	29.00%	\$ 2,574.91
Electricity	\$ 15,266.28	29.00%	\$ 4,427.22
Water	\$ 5,283.03	29.00%	\$ 1,532.08
Garbage	\$ 9,649.86	29.00%	\$ 2,798.46
Permit/Fees	\$ 1,897.20	29.00%	\$ 550.19
Pylon/Sign Maint	\$ 2,970.00	29.00%	\$ 861.30
TOTAL CAM EXPENSES	\$ 145,500.61		\$ 42,195.18
Roof Repairs - Circuit City Only	\$ 900.00	100.00%	\$ 900.00
TOTAL CAM EXPENSES	\$ 146,400.61		\$ 43,095.18
Mgmt Fee*	\$ 43,095.18	10.00%	\$ 4,309.52

Total Expenses Billable to Tenant	\$ 47,404.69
Total Reimbursement from Tenant	\$ (39,127.00)
Total Due from (to) Tenant	<u><u>\$ 8,277.69</u></u>

\*MGMT FEE: 10% of Tenant's share of CAM

***Circuit City Store #253***  
***Yearend 2008 JE***  
***Operating Reconciliation***

CAM	\$	38,808.00	
MGMT FEE	\$	3,876.00	
08 Balance Due	\$	(3,557.00)	
	\$	39,127.00	<b><i>Paid</i></b>

***Batch #659***

		DB	CR
1500-000	AR	\$ 4,720.69	\$ -
4500-010	CAM	\$ -	\$ 4,287.18
4500-040	MGMT FEE	\$ -	\$ 433.52
		<u>\$ 4,720.69</u>	<u>\$ 4,720.69</u>